

A NEW POWER BLOC OR GOING IT ALONE? Brazil and South American Regionalism

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From the Region to the World: Concept and Policy

Concept:

All regional powers that aspire to become global protagonists... must first be legitimated at the regional level since they do not possess enough material capacity or soft power to act autonomously in international politics.

Maria Regina Soares de Lima (Brazilian IR scholar), Fall 2008

Policy:

No Governo Lula, a América do Sul será nossa prioridade.

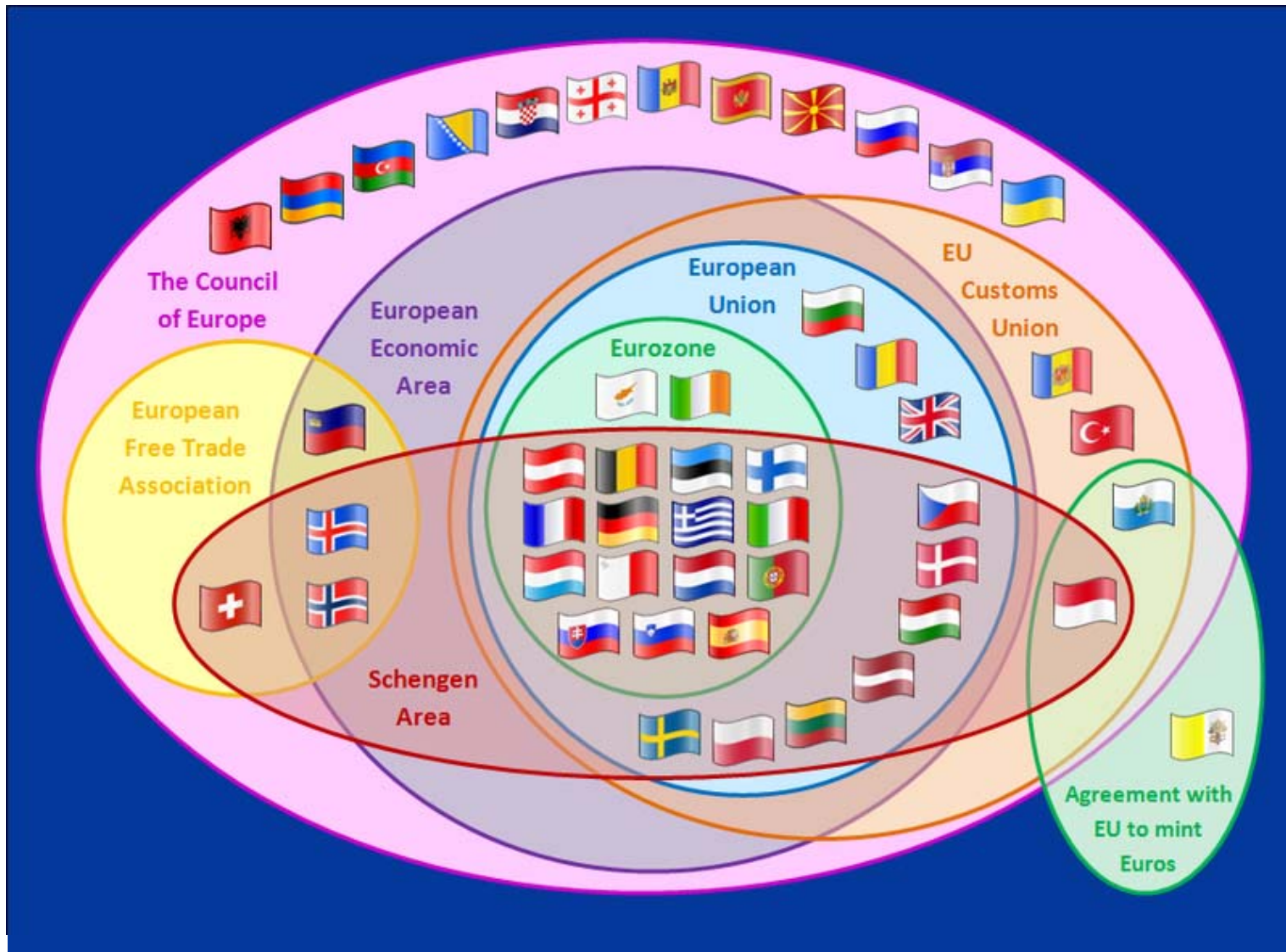
Celso Amorim (Lula's foreign minister), January 1, 2003

Is Regional Leadership Necessary to Become a Global Power?

Structure of the presentation

- The region: a puzzle
- Leadership: a disappointment
- Global emergence: a revelation
- Conclusions

European Integration: Complex, but relatively concentric



Size matters: Europe and Latin America compared



OAS - Organization of American States (35 members)



Latin America (20 independent states)



Ibero-America (22 independent states)



ALADI - Latin American Integration Association (12 members)



UNASUR - Union of South American Nations (12 members)



MERCOSUR - Common Market of the South (4 members)



CAN - Andean Community (4 members)



ALBA - Bolivarian Alliance for the Peoples of our America (8 members)



NAFTA- North American Free Trade Agreement (3 members)



Pacific Alliance Agreement (4+1 members)



Community of Latin American and Caribbean States (33 members)



The economics of regional divergence

1.- Mexico and Central America

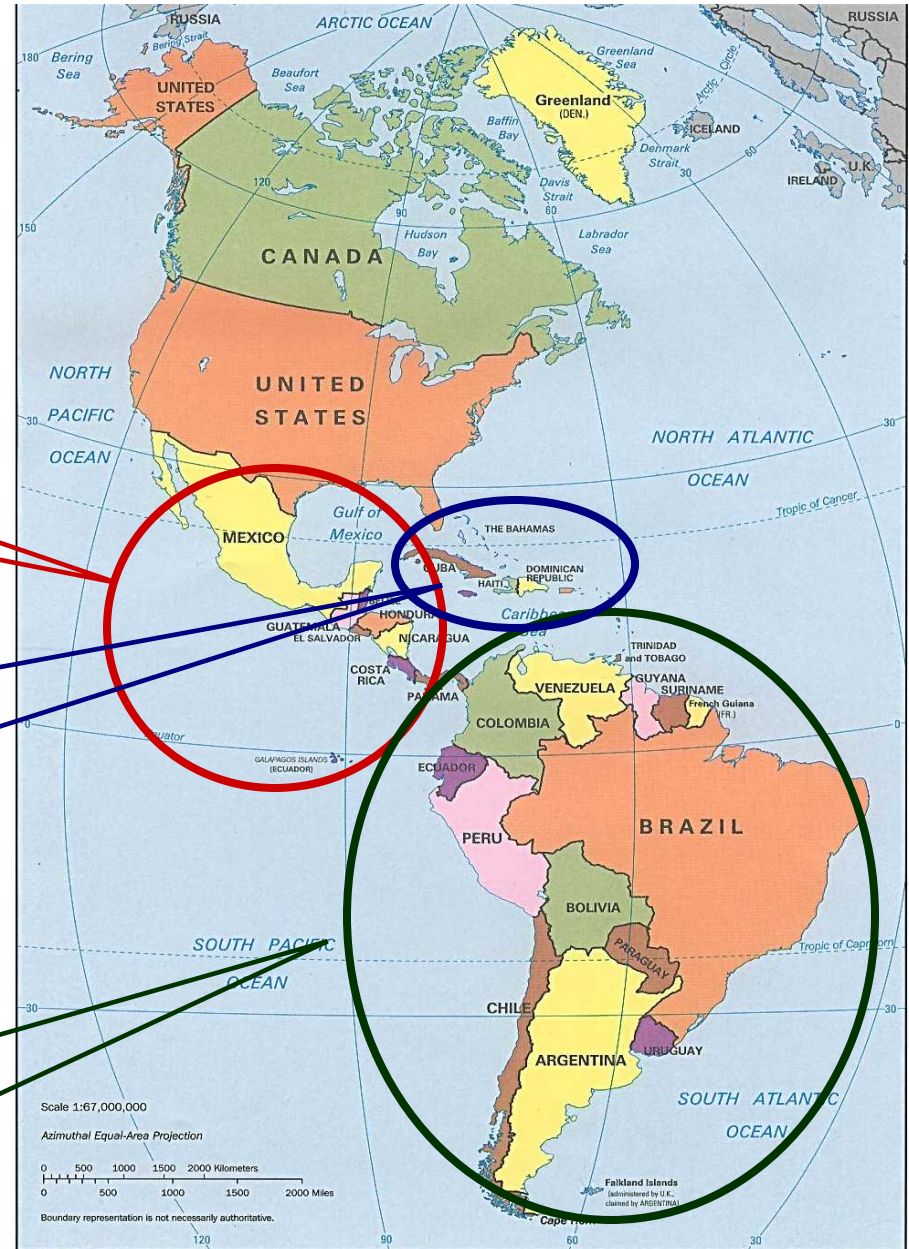
Growing share of manufactured exports

3.- Caribbean countries

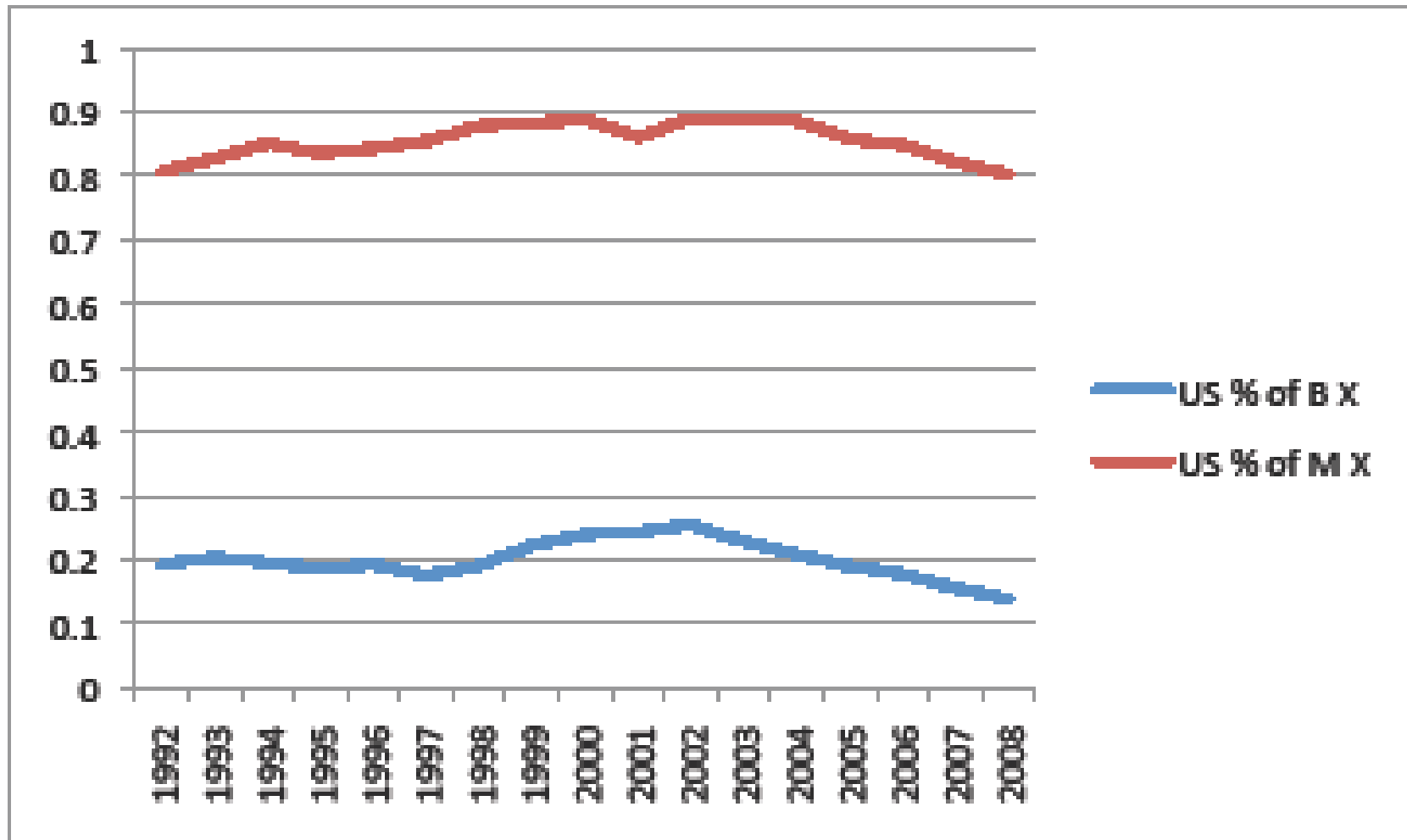
Specialization based on services (tourism and finance)

2.- South America

Prevalence of resource-based goods (agriculture and/or mining)

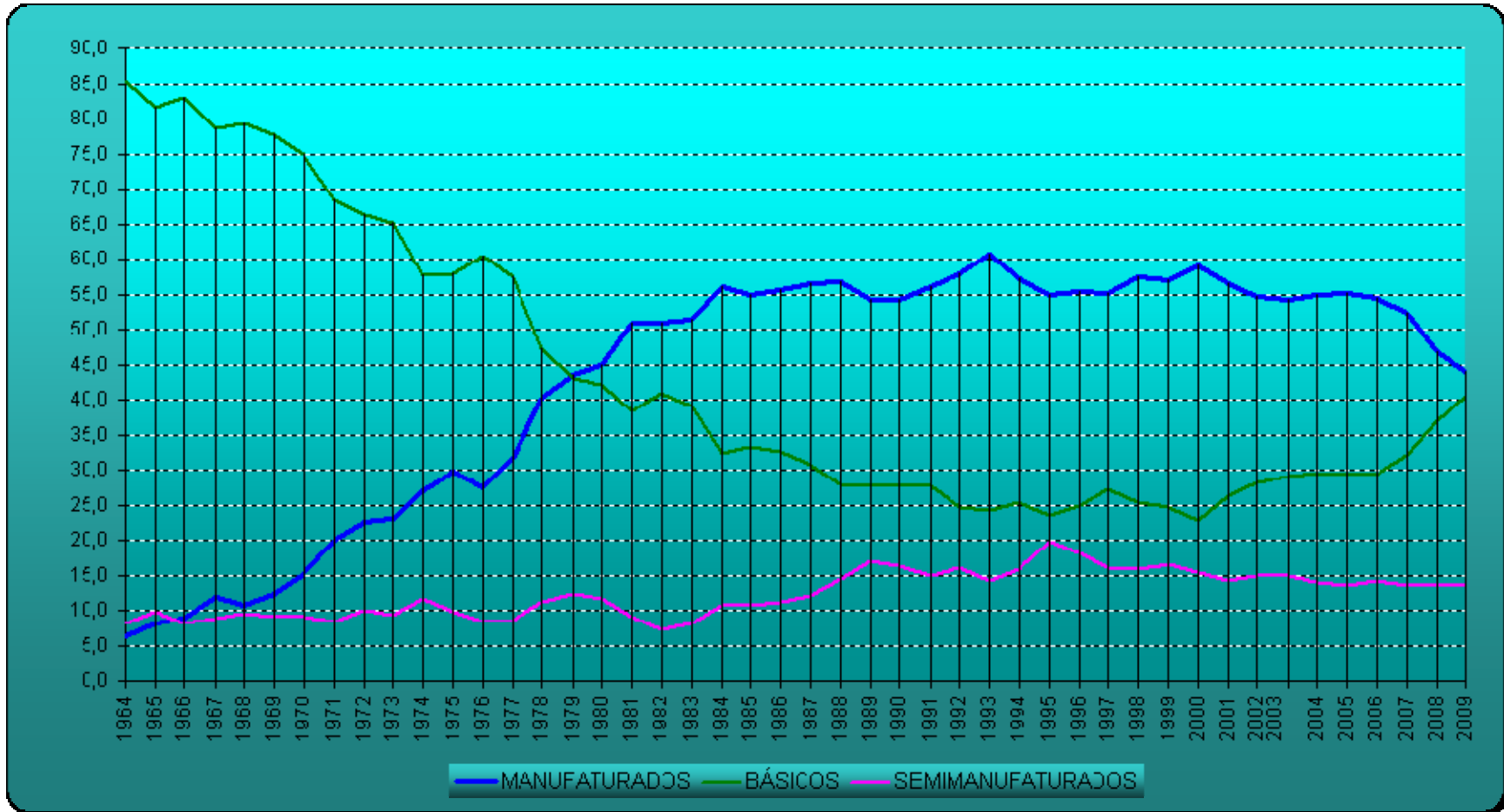


Brazil and Mexico: Export Share to the United States



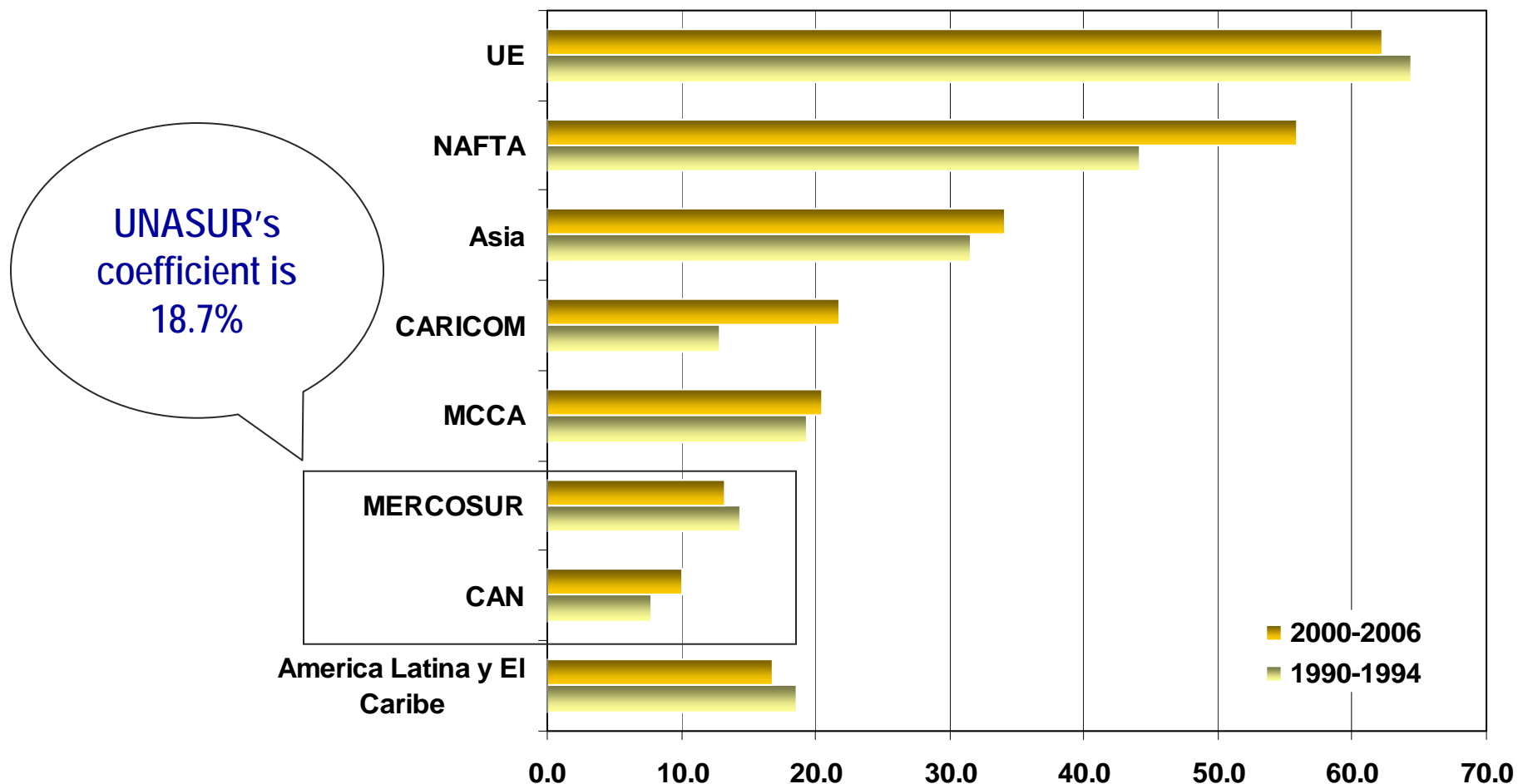
China-led recommoditization: Brazilian exports by economic sector, 1964-2009

Participation % over total



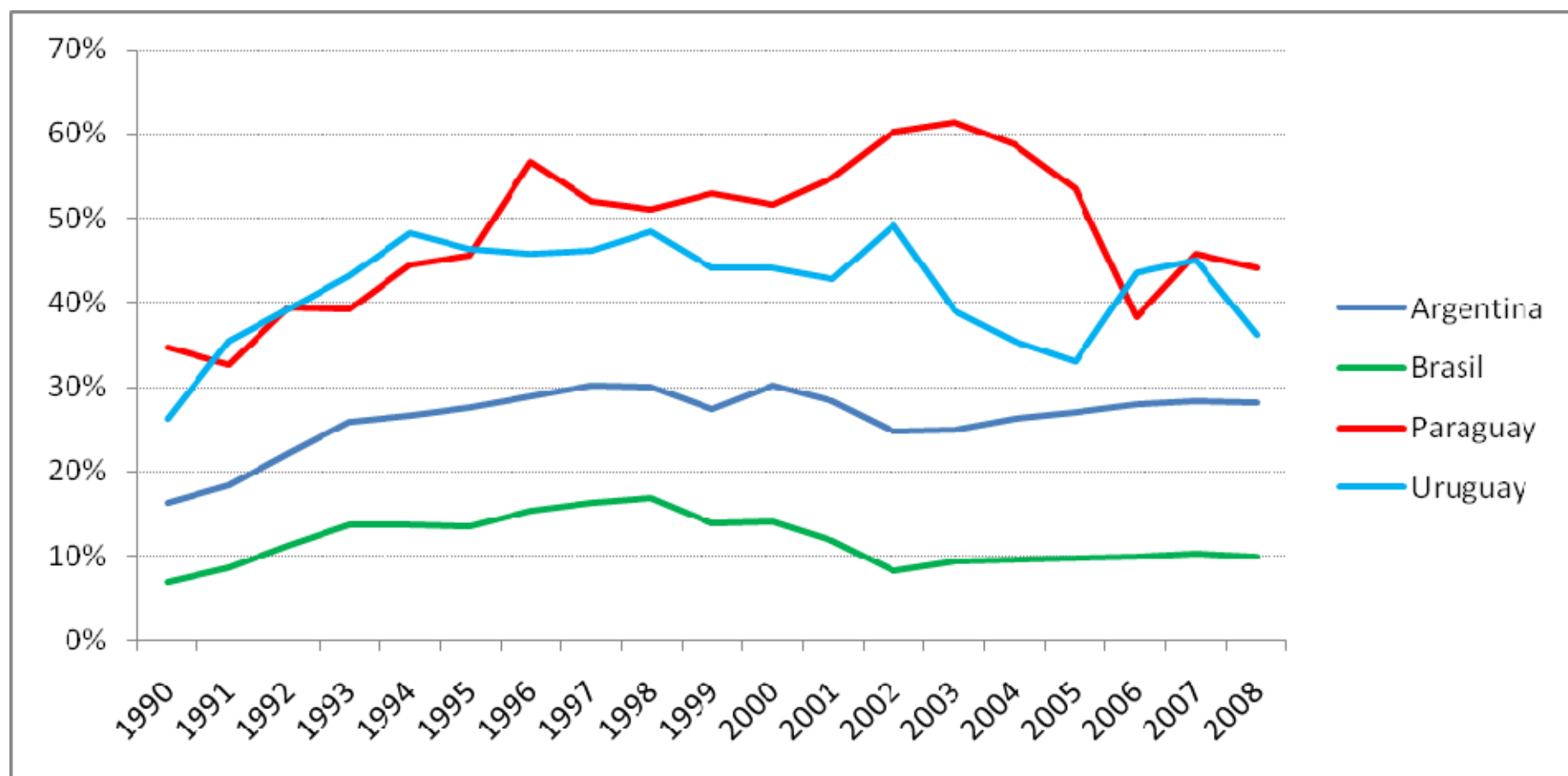
Source and elaboration: MDIC/SECEX

Intra-regional trade in several integration schemes



Fuente: CEPAL, División de Comercio Internacional e Integración, sobre la base de información oficial

Trade interdependence in Mercosur



Balance sheet of Brazil's bid for regional leadership

Achievements

UN Stabilization Mission in Haiti (MINUSTAH)

Setbacks

Permanent seat at the United Nations Security Council

Secretary-General of the World Trade Organization (WTO)

Presidency of the Inter-American Development Bank (IADB)

UNASUR's hijack, Mercosur's standoff

Pacific Alliance Agreement

Followers of whom? Contenders to Brazilian leadership in South America

- **Argentina:** itself, USA (sporadically)
- **Bolivia:** Venezuela, Argentina
- **Chile:** global player (albeit small)
- **Colombia:** USA
- **Ecuador:** Venezuela
- **Paraguay:** Argentina, USA, Taiwan
- **Peru:** USA, China
- **Uruguay:** Argentina, USA
- **Venezuela:** itself

Balance sheet of Brazil's bid for global middle power

Setbacks

BGJI (quartet for UNSC seat bid)

Brazil-Turkey-Iran agreement

Achievements

'BRIC' status

G20 leader at WTO (and G4)

G5 outreach group / Financial G20

IBSA grouping

EU-Brazil strategic partnership

Climate summit G5

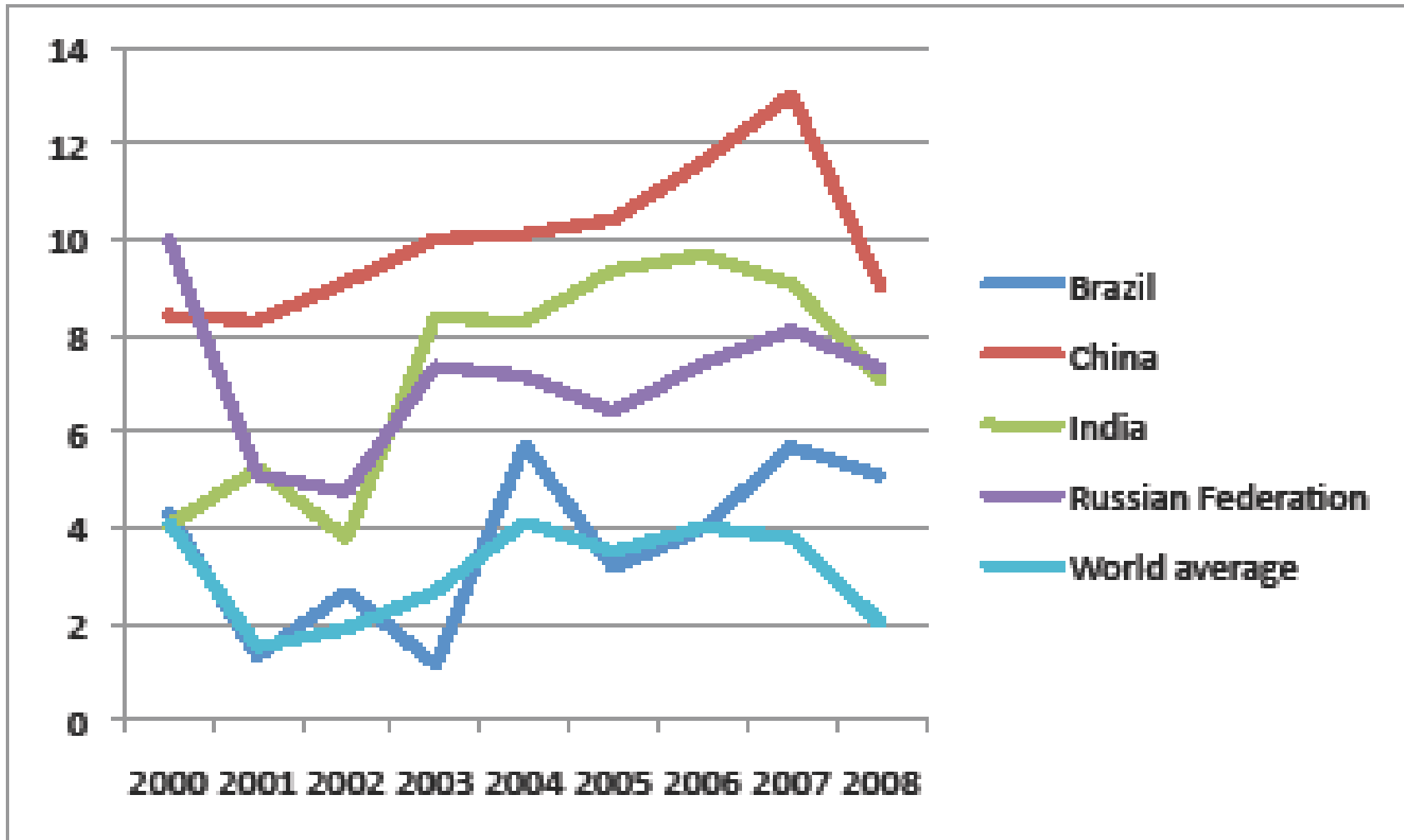
So, how does the world see Brazil?



The Economist, 12 November 2009

And yet...

BRICs' Comparative Growth Rate



What prospects for presidential diplomacy after FHC and Lula?

<u>International Trips</u>	<u>Obama</u>	<u>Bush</u>	<u>Lula</u>
(first 22 months in office)			
Number of Trips	15	11	32
Nations Visited	25	22	35
Km flown (000)	240	152	390

Conclusions

- In spite of its regional preeminence, Brazil has failed to consolidate itself as a regional leader.
- However, it has been quite successful in its bid for recognition as a global middle power.
- In sum, the means have failed but the goal was achieved.
- So think again: is regional leadership a condition for global emergence?